

CONSENT JUDGMENT

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

PURDUE PHARMA L.P.,
THE P.F. LABORATORIES, INC.,
PURDUE PHARMACEUTICALS L.P., and
RHODES TECHNOLOGIES,
Plaintiffs,

-vs-

VARAM, INC. and KVK-TECH, INC.,
Defendants.

04 md 1603 (SHS) - this document
relates to
Civil Action Nos. 10-CV-6038 (SHS)
11-CV-0766 (SHS)
12-CV-2814 (SHS)
12-CV-6047 (SHS)

**CONSENT JUDGMENT
BETWEEN**

**PURDUE PHARMA L.P., THE P.F. LABORATORIES, INC.,
PURDUE PHARMACEUTICALS L.P., AND RHODES TECHNOLOGIES
AND VARAM, INC. AND KVK-TECH, INC.**

On consent of Purdue Pharma L.P., The P.F. Laboratories, Inc., Purdue Pharmaceuticals L.P. and Rhodes Technologies and Varam, Inc. and KVK-Tech, Inc., and as settlement of these actions among those parties, PURDUE PHARMA L.P., a limited partnership organized and existing under the laws of the State of Delaware, having a place of business at One Stamford Forum, 201 Tresser Boulevard, Stamford, Connecticut 06901, THE P.F. LABORATORIES, INC., a corporation organized and existing under the laws of the State of New Jersey, having a place of business at 700 Union Boulevard, Totowa, New Jersey 07512, PURDUE PHARMACEUTICALS L.P., a limited partnership organized and existing under the laws of the State of Delaware, having a place of business at 4701 Purdue Drive, Wilson, North Carolina 27893, and RHODES TECHNOLOGIES, a general partnership organized and existing under the laws of the State of Delaware, having a place of business at 498 Washington Street, Coventry, Rhode Island 02816 (individually and collectively, the "Purdue Companies"), and VARAM, INC., a corporation organized and existing under the laws of the State of Pennsylvania, having a place of business at 5775

Lower York Road, P.O. Box 700, Lahaska, PA 18931 ("Varam") and KVK-TECH, INC., a corporation organized and existing under the laws of the State of Pennsylvania, having a place of business at 110 Terry Drive, Suite 200, Newtown, PA 18940 ("KVK" and, together with Varam, the other individuals who are signatories to the Settlement Agreement (as defined below), and all other persons acting in privity or active concert with Varam and KVK, including each of their respective Affiliates, principals and investors, but excluding their attorneys provided that such attorneys are not principals or investors, and excluding Noramco, Inc., the "Varam Parties") (the Purdue Companies and the Varam Parties being sometimes referred to herein individually as a "Party" and collectively as the "Parties"), it is Ordered, Adjudged and Decreed as follows:

1. Terms used in this Consent Judgment and not otherwise defined shall have the meanings ascribed thereto in the Settlement Agreement, dated as of May 15, 2013, by and among the Purdue Companies and the Varam Parties (the "Settlement Agreement").

2. (a) The Purdue Companies' claims in the Actions are dismissed with prejudice and the Varam Parties' counterclaims in the Actions are dismissed with prejudice. Further, the Varam Parties waive any possible antitrust or other claims against the Purdue Companies based on conduct or events that have occurred prior to the date of entry of this Consent Judgment relating to the Purdue Patents, as well as any claims or counterclaims that could have been pleaded in the Actions. Notwithstanding the foregoing, nothing contained in this Consent Judgment or the Settlement Agreement, shall affect any rights or liabilities of the Varam Parties with respect to any patents of Purdue or others, or any ANDA filed by any of the Varam Parties after the date of this Settlement Agreement that references any NDA other than NDA No. 020553 or any right of the Purdue Companies with respect thereto, including the right to bring infringement litigation.

(b) The Varam Parties agree that any further litigation between the Purdue Companies and the Varam Parties relating to patents held or licensed by the Purdue Companies relating to the Purdue NDA shall take place in the United States District Court for the Southern District of New York (the "District Court") and they will not contest and waive any defense or objection to personal

jurisdiction, subject matter jurisdiction or venue in such court (including based on the principle of forum non conveniens).

3. Except as the Parties have heretofore expressly provided for in writing, by virtue of this Consent Judgment, there are no remaining claims, counterclaims or demands for relief prayed for by the Purdue Companies and the Varam Parties in the Actions.

4. In addition to remedies for contempt of this Consent Judgment which the Purdue Companies or the Varam Parties, as the case may be, has, in the event of breach or violation by the other party of the terms of this Consent Judgment, the non-breaching party is entitled to specific performance, or appropriate injunctive relief against the breaching party with respect to the breaching conduct solely upon a showing of a likelihood of success of establishing that such a breach occurred. The Parties agree that jurisdiction and venue for such an action exists in the District Court, and waive any and all defenses based on personal jurisdiction, subject matter jurisdiction and venue.

5. The Parties acknowledge that no right, covenant, interest, authorization, license, waiver or release with respect to any patents or other intellectual property has been granted or implied by the Settlement Agreement. For the sake of clarity, the Purdue Companies have not given any rights, either in writing or orally, to the Varam Parties under the Settlement Agreement or otherwise and no action taken by any of the Varam Parties shall be deemed authorized by the Purdue Companies except as expressly provided for under the Settlement Agreement.

6. This Consent Judgment is entered pursuant to Rule 58 of the Federal Rules of Civil Procedure, and the Action is hereby dismissed without costs or attorney's fees, save that the District Court shall retain jurisdiction over the Actions, including without limitation, over implementation of, or disputes arising out of, this Consent Judgment or the settlement of the Actions. A prevailing party shall be entitled to recover attorneys' fees in any such proceeding occurring after the entering of this Consent Judgment in which the case is found to be an exceptional one.

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Consent Judgment Signature Page

By:  By: _____

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*Attorneys for Defendant and
Counterclaim Plaintiff Varam, Inc.*

SO ORDERED:

Dated: _____, 2013

United States District Judge

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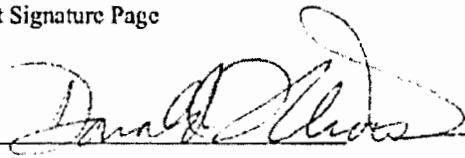
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*Attorneys for Defendant and
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Dated: , 2013

SO ORDERED:



United States District Judge